

*Personnel
Separation & Retention*

MAR 1 1954

MEMORANDUM FOR: Deputy Assistant Director for Personnel

SUBJECT: H. R. 7187, Relating to the termination of employment of persons in certain positions in the executive branch of the Government

1. The subject bill proposes that the head of each department and agency in the executive branch of the Government be given the authority to terminate, in his discretion, the employment of any person employed therein whose basic compensation is in excess of \$10,000 per annum. The bill would not apply to persons entitled to veteran's preference for Federal employment.

2. The effect of the subject bill is to "blanket-in" all high-level jobs under the direct political control of each incoming Administration. No provision is made for the consideration of the character of individual positions to be affected as is now the case under the procedures practiced in placing positions in Schedule C. Presently there are some positions which fall within this compensation category (GS-14, step 5), but subsequent upward adjustment(s) of the pay scale would increase this total considerably. Of the over-all total, only those positions occupied by non-veterans would be affected.

3. It is probable that any effects of the bill on this Agency would be indirect. The passage of the bill could be expected to have a serious effect on the morale of Government employees generally, and to increase the difficulty encountered in the recruitment and retention of suitable personnel under the Government career service concept. A general decline in the morale of Government employees and apprehension regarding Government employment on the part of potential employees could have considerable effect on the Agency's procurement and development program.

4. In view of the ramifications of the bill and the stated position of the Administration regarding civil service, it is likely that the bill has little chance for enactment.

Chief, Plans, Research and
Development Staff

PRDS/:bh (25 Feb 54)

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